

Mayor's Office of Special Projects 2004 Annual Report

The Mayor's Office of Special Projects [MOSP] was established to provide leadership for high profile and complex projects undertaken by the City. The goals, objectives and responsibilities of the Office are diverse and far ranging as the accomplishments of 2003 illustrate. Some of the highlights are described below:

City Island – After being elected in 1982, Mayor Reed's renaissance plan to restore City Island was put into action, making it a tourist destination within walking distance to the downtown. MOSP was responsible for the rebuilding of City Island. City Island originally hosted the City's Water Filtration Plant, Beach House and baseball field, where Negro and Minor league baseball teams competed until the island's decline in the 1950's. City Island is now home to the following:

Skyline Sports Complex – Built on the former site of the water filtration plant, the multi-purpose complex contains football, softball field and soccer fields, sand volleyball courts, running/walking/hiking trails, concession areas, and locker rooms/changing facilities. The football field is home to Harrisburg's semi-pro football team, the National Champion Harrisburg Piranhas.

Commerce Bank Park, formerly Riverside Stadium, is home to the Harrisburg Senator's, the AA Eastern League affiliate of the Montreal Expos and the team of the 90's in minor league baseball. In Spring 2003, the Mayor issued a Request for Qualifications for the expansion and upgrade of Riverside Stadium. HOK was selected as the designated sports architect. In November 2003, Commerce Bank purchased the naming rights to the baseball stadium and the City is planning a major upgrade to Commerce Bank Park. Commerce Bank Park design development, financing and construction are scheduled to proceed the first quarter of 2005.

Marinas – Three different boat marinas have been built with 218 boat slips. (Main Marina 84; Riverside Marina 86; South Pointe Marina 48)

Riverside Village – A place for families and tourists to enjoy a picnic by the riverside complete with activities for the kids to enjoy. Other City Island amenities include: the City Island Railroad, a game Arcade, a Carousel, Water Golf Miniature golf course, Harbortown play area for children, Batting Cages, a biking-walking-jogging and in-line skating trail, picnic pavilions, assorted food vendors and City Island merchants as well as a boat launch for the Pride of the Susquehanna paddlewheel riverboat.

City Island Restaurant – In November 2003, the city issued a Request for Proposal and is currently in negotiations with a restaurant developer. Construction is expected in fall 2005.

The National Civil War Museum – The National Civil War Museum opened to the public in February of 2001. This relatively new museum is well known for its factual yet humanistic approach to history, its state of the arts exhibitry and a world-class collection of artifacts. The Museum features private meeting space and is a popular location for weddings, receptions and corporate activities in a truly spectacular environment. The Museum is the only cultural institution in the world to focus exclusively and comprehensively on the issues, causes and the events of the American Civil War that claimed some 700,000 lives. More than forty museums from around the world have sent delegations to The National Civil War Museum to see first hand, the unique means and methods of telling very personal stories of those that endured, those that suffered and those that perished in that era of American History that was America's defining moment. The Museum's unique story has attracted more than 325,000 visitors in its brief history and organized school field trips have originated from as far away as California, Alabama, Michigan and Connecticut. This is truly a special place.

Harrisburg Incinerator Project – In January 2001, the City entered into Consent Agreements with the Pennsylvania Department of Environmental Protection and the United States Environmental Protection Agency to enable the Harrisburg incinerator to continue to operate. The Agreements allowed the Facility to de-rate the units capacity to less than 250 tons per day that provided additional time to operate the facility and to develop plans for the retrofit. The Agreements required the facility to undergo stack emission testing to demonstrate compliance with interim dioxin emission limits. MOSP took the lead on the negotiation of the Agreements, and, in conjunction with the Department of Incineration and Steam Generation, has effected and monitored compliance with the Agreements. Among many other efforts, interim control measures consisting of water sprays and carbon injection were identified and installed on a fast track basis to enable the Facility to comply with the requirements.

At a direct construction cost estimated at \$67 million, MOSP will oversee the retrofit of the City's incinerator, which will add 25 years to the life of the facility and enable compliance with the Clean Air Act. In November 2001 Barlow Projects, Inc. (BPI) released a preliminary feasibility study on the retrofit of the incinerator, which concluded that the retrofit incinerator is technically, environmentally and financially feasible. Based on the results of the study, the City has proceeded with the engineering, permitting and development of the retrofit project. Additional challenges lie ahead to put in place the necessary elements for financing the estimated \$67 million retrofit. However, major strides toward this goal were achieved in 2001 when the City entered into a "Put or Pay" waste agreement with Waste Management, Inc. to secure a reliable waste and revenue stream to support the planned financing of the retrofit.

In 2002, the City's Solid Waste Permit was approved for a period of ten (10) years. Also, the City submitted an Air Quality Permit application whose approval was received in September 2003. The retrofit of the facility is expected to take between 18 and 24

months. With work expected to begin in late 2003, MOSP will work with Barlow Projects, Inc. (BPI).

In December 2002, the County Commissioners approved a revision to the Municipal Solid Waste Plan of Dauphin County. Concurrently, the Commissioners passed an ordinance that, upon completion of the City's incinerator retrofit project, directs all municipal solid waste generated in the County to the Harrisburg facility. A resolution also passed expressing the Commissioner's preference for resource recovery and directing the staff to undertake the necessary steps to enter into a long-term agreement between the City and the County for the disposal of the county's municipal waste.

The MOSP also initiated an investigation of various alternatives to the retrofit project, including a new technology known as Plasma, Pyrolysis & Vitrification (PPV). The feasibility of PPV for Harrisburg will be determined in 2003. During 2003, the Harrisburg Incinerator Retrofit project was the focus of intense activity and scrutiny.

In the 1st quarter of 2003, an analysis of the steam lines was performed to determine the ability to sell steam to NRG when the project is completed. A long-term contract with NRG was entered into in 2003.

In April 2003, a restructuring of existing debt was approved by City Council.

In August, Dauphin County issued a Request for Proposals for municipal waste combustion services for all of the County's municipal solid waste. Two responses were received, including one from the City, and the County selected the City as the long-term provider of disposal capacity beginning in 2006.

In September 2003, the Air Quality Plan Approval was received for a retrofit involving the construction of two units with a combined capacity of 800 tons per day. In November, the Authority filed a new application for a three-unit facility with a combined capacity of 800 tons per day.

In the 3rd quarter of 2003, the Dauphin County Commissioners unanimously voted favorably to guarantee a portion of the bonds sold to finance the incinerator retrofit project. The County intends to revise the County Municipal Waste Management Plan in 2004 to reflect the designation of the HMERRF as the single provider of municipal solid waste disposal services.

During the second half of 2003, Harrisburg City Council hosted Public Information meetings throughout the City to explain the incinerator retrofit project. Buchart-Horn, an independent consultant, was hired by City Council to study the proposed retrofit project and alternatives to incineration. Buchart-Horn submitted their report to Council that reinforced the City's position to proceed with the retrofit project. In November 2003, Harrisburg City Council voted favorably to provide a City guarantee on the \$125 million bond issue. Late December 2003, Bond sales were completed. The retrofit construction commenced in January 2004 and has a January 2006 completion date.

Municipal Solid Waste and Recycling – The City, through MOSP, has been working with Dauphin County to manage the joint City/County's Office of Municipal Solid Waste and Recycling. The joint office successfully obtained grant funding from PA DEP and has implemented a recycling drop-off program throughout the City and County. In 2002, the City added newspaper to its recycling program and hosted an e-cycling event for the collection and recycling of PCs and computer components. A noticeable increase in recycling is attributable to the City's curbside collection program and because of the placement of 98 Trash & Recycling containers placed throughout the City's Parks system and the placement and use of the public Special Event recycling trailers strategically placed at the City's special events.

In 2002, the County\City office was awarded a \$1.5 Million grant from DEP to develop a 50-tons per day Materials Recycling Facility in the Harrisburg area. Work on this facility continues.

The MOSP also negotiated a settlement with DEP that resulted in a \$50,000 grant to the Hamilton Health Center to fund an Asthma screening program in the Harrisburg School District. In 2003, the Dauphin County office of Solid Waste Management and recycling received \$78,897 in reimbursement checks from the State's Department of Environmental Protection for its Household Hazardous Waste program. In 2004, the County hosted e-Cycling events at the Harrisburg Area Community College for the recycling of computer components, televisions, tires, clothing and much more. In total, more than 78.7 tons in materials was e-Cycled in 2004. The City\County office is engaging more commercial recycling from large business and residential high-rise buildings. In 2004, 1,068.5 tons of various materials were voluntarily recycled by citizens using the Haul All drop center located in the Uptown Plaza at 7th and Division Streets. These recycled materials include glass, plastic, metal, newspapers\magazines and cardboard. We are pleased to announce that in 2044, Dauphin County received a \$1.5 million grant to build a recycling facility. This facility is being constructed on city-owned land at the site of the Incinerator and is more than 75% complete.

Dock Street Dam – In May 2001, the MOSP released the final draft report on the alternatives to the Hydroelectric Dam, the City's proposed hydroelectric project on the Susquehanna River. The report was a compilation and culmination of the work of a multi-disciplinary Working Group established by the City to bring about a settlement of litigation that had commenced in 1987 over the permitting of the proposed hydroelectric project. The objective of the report was to identify suitable alternatives to the hydroelectric dam project that would address fish passage, dam safety, environmental concerns, recreation and economic development. Based on the report, the City has withdrawn its application for the hydroelectric dam project and intends to pursue the replacement of the Dock Street Dam with an inflatable rubber dam. In June 2002, the City entered into an agreement with DEP to settle the litigation. This report will serve as a guide for the future development of the alternative(s) recommended. A Regional Task Force is expected to be developed.

National Sports Hall of Fame – MOSP will oversee the construction of a 60,000 square foot museum with a \$9.5 million grant received in August 2001 from then Governor Ridge. Preliminary Design work for the Hall of Fame commenced in 2002. In 2003, the NSHOF formed a 501 (C) 3 corporation, secured bridge financing for project construction, secured a Park Permit and Construction is anticipated to commence in the near future.

HarrisCom – In 2002, a task force was formed to explore the development of a City-owned telecommunications company that could supply cheaper rates to the City and County Governments and the Harrisburg School District. An existing City corporation has had its by-laws amended to serve as the entity to apply for PUC certification to enable the entry into the telecommunications business. In 2003, HarrisCom, Inc., became a certificated competitive local exchange carrier in Pennsylvania. Discussions were also initiated with Verizon regarding an interconnection agreement and the provision of wholesale telecommunications service to HarrisCom. Also in 2003, the United States Court of Appeals for the Third Circuit held that the manner in which the Pennsylvania Public Utility Commission established Verizon's wholesale discount was flawed. As a result, litigation was initiated before the PUC that will likely reduce the level of wholesale discount resellers, like HarrisCom, enjoy. In part due to this litigation and also based on concerns with Verizon's interconnection agreement, discussions were initiated with Remi Communications about the possibility of it serving as the wholesale telecommunications provider for HarrisCom. Initial projections from Remi suggested that the company could provide HarrisCom with greater savings than Verizon and with less of an administrative burden on it. It is anticipated that during the first quarter of 2005, HarrisCom will enter into an agreement with Remi Communications.

City's Energy Office – MOSP led negotiations with United American Energy to enter into a Memorandum of Understanding to enable the further development of a natural gas fired power plant in the City that would provide significant benefits to the Parties. Negotiations with UAE have been stalled because of a weakening in the electric power markets, though the markets are expected to rebound in the future. Another successful energy related program that the City has undertaken is the Intergovernmental Cooperation Agreement (IGCA), initiated by the City with the Harrisburg Housing Authority, Harrisburg Parking Authority, Harrisburg Redevelopment Authority, Harrisburg School District and Dauphin County for the purpose of making combined procurement of energy products (natural gas, electricity and oil.) The member agencies have saved thousands of dollars through the cost saving measures and procurement made available under this agreement. The IGCA provides reduced utilities purchasing to participating parties as well as an administration fee to the City.

In August 2004, the Mayor introduced the Bulk Buying Program for Natural Gas for the private sector. Private companies and citizens who purchase \$20,000 or more of natural gas are eligible to participate in this new program. We are pleased to announce that, during the last quarter of 2004, two private companies signed onto this new program and

that the City has embarked on an aggressive marketing plan to enlist the participation of local companies and nearby cities.

The program's savings amount and percentages for the year ended 2004 were unavailable at press time. The City also pursued a similar electric energy savings program during the last quarter of 2002.

National Museum of African-American History – In 2002, MOSP was assigned the task of developing the NMAAH. \$13 Million in funding has been appropriated in the State Capital Budget. A site has been selected and property acquisition will occur in the future.

In 2003, a Task Force Committee was formed to pursue the development and construction of the NMAAH. A Request for Qualifications was released in the spring of 2004. Selection of an architect has not been made at this time.

Harrisburg History Site Placards – 80 out of 100 Historical Markers depicting Harrisburg's history have been installed throughout the City. The installation of the last 20 Harrisburg History Site Placards was completed in 2003. In 2004, 13 additional Historical Markers were installed along with nine (9) "You are here" maps.

Farm Show Complex Hotel – In Fall 2003, MOSP prepared and remitted the Request for Qualification for a Hotel Developer to the Department of General Services of the Commonwealth of Pennsylvania for review and approval for the construction of a hotel at the site of the Farm Show complex. In January 2004, the Commonwealth issued a Solicitation for Proposals to attract a hotel developer. In October 2004, the Commonwealth selected Crossgates as the hotel developer. Construction is anticipated to commence late 2005.

Wind Energy – MOSP is pursuing funding of a 2004 feasibility study for Wind Power.

Cow Parade – MOSP is the City's liaison to Whitaker Center for Science and the Arts for the coordination and installation of the 136 Public Arts CowParade© Harrisburg cows that commenced during the spring of 2004. Harrisburg hosted thousands of visitors from as far away as Britain, Germany and Australia. On June 26, 2004, a black tie dinner\dance event was held at the State Farm Show Complex to auction the commissioned cows. The auction event raised over \$400,000 for Whitaker Center for Science and the Arts.

CITY OF HARRISBURG
MAYOR'S OFFICE OF SPECIAL PROJECTS

2004 PERSONNEL DIRECTORY

Management Staff

<u>Name</u>	<u>Position</u>	<u>Employment Date</u>
Daniel R. Lispi	Assistant to the Mayor	05/26/1986
Louis D. Colon	Project Manager	07/09/2001

Bargaining Unit

Rodney J. Shenberger	Secretary	05/06/2002
----------------------	-----------	------------

MAYOR'S OFFICE OF SPECIAL PROJECTS

2004 BUDGET

<u>Personnel Services Allocation</u>	<u>Job Classification</u>	<u>2004 Budget</u>
Salaries – Management		
	Assistant to Mayor	\$ 84,000
	Project Manager- MOSP	<u>26,691</u>
	Total Management	\$110,691
Salaries - Bargaining Unit		15,738
<u>Temporary Employees</u>		<u>0</u>
Total Salaries		\$15,738
Fringe Benefits		<u>\$26,401</u>
<u>Personnel Total</u>		<u>\$152,830</u>

<u>Operating Expenses</u>	<u>2004 Budget</u>
Communications Total	\$ 3,250
Professional Fees Total	15,175
Utilities	0
Insurance	0
Rentals	1,500
Maintenance & Repairs	0
Contracted Services	1,600
Supplies	3,521
Minor Capitol Equipment	0
Total	25,046
<u>TOTAL APPROPRIATION</u>	<u>\$ 177,876</u>

I:\Annual Reports\2004 Annl report